

BROOKS MACDONALD^{*}
Asset Management

Bespoke Portfolio Service



BACKGROUND TO BROOKS MACDONALD ASSET MANAGEMENT

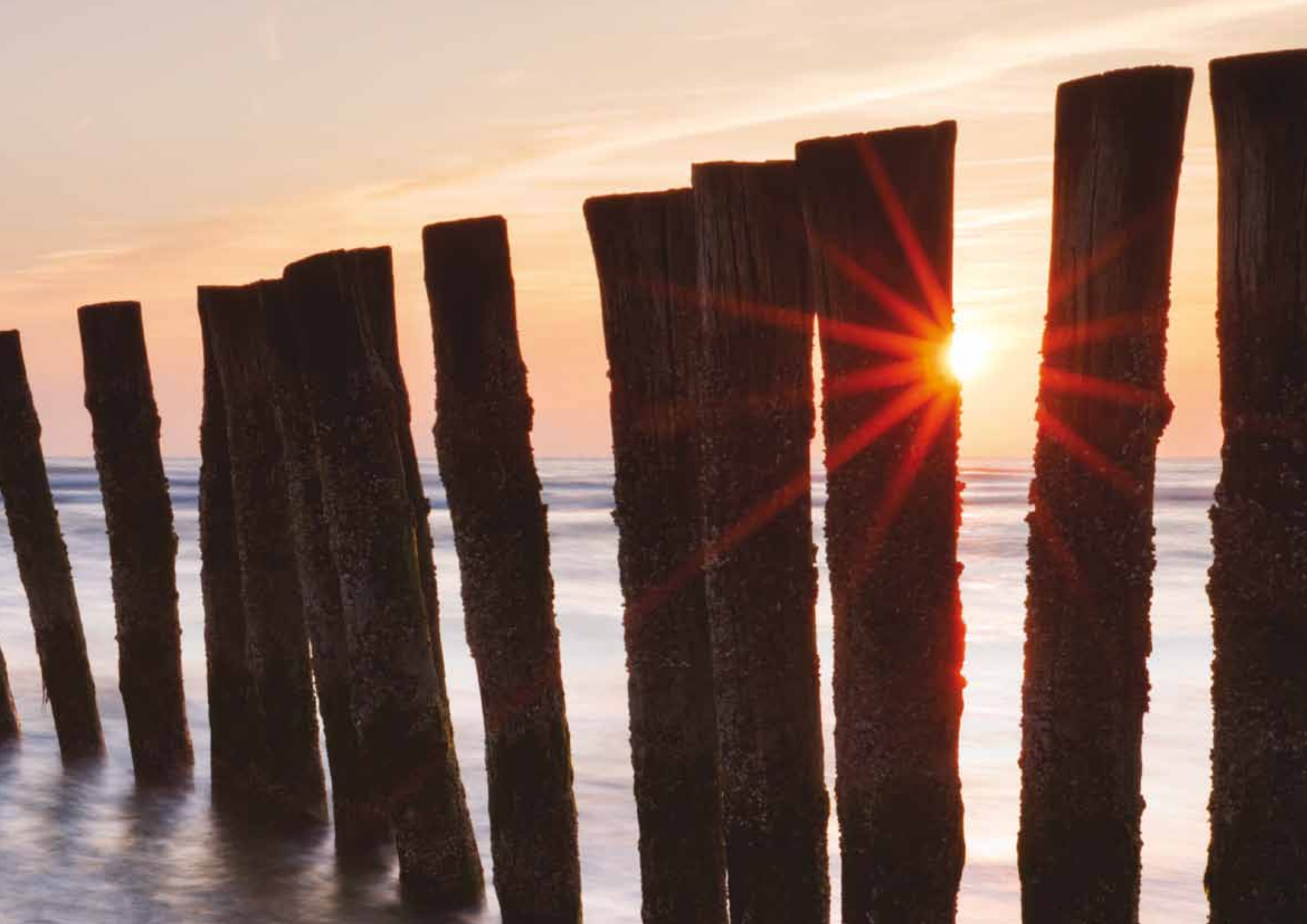
Brooks Macdonald Asset Management is an independent private client investment manager specialising in managing the wealth of private individuals and families.

Since our formation in 1991 we have benefited from significant professional and personal recommendations. We pride ourselves on delivering excellent client service and consistent, award winning performance. We firmly believe in long-term client relationships.

The portfolios managed vary in size and are a mix of private high net worth individuals, charities, pension funds and trusts. There is no limit to the size of portfolio that we manage.

From the outset we have been pioneers of fee-only investment management and were early proponents of open architecture having always sought to provide private clients with full exposure to the widest range of leading investment assets and strategies.

Brooks Macdonald Asset Management is part of Brooks Macdonald Group plc, an AIM listed, integrated, independent wealth management group.





We specialise in building individual, balanced investment portfolios
and managing these portfolios on a discretionary basis

DISCRETIONARY INVESTMENT MANAGEMENT

As a private client investment manager, we specialise in building individual, balanced investment portfolios and managing these portfolios on a discretionary basis.

This allows our clients to delegate the day-to-day investment decisions and ongoing management of their portfolio to a team of professional, highly experienced investment managers whose actions reflect the investment objectives and circumstances of each client. The investment managers will ensure their decisions match the investment mandate that was agreed with the client at the outset.

OUR BESPOKE PORTFOLIO SERVICE

Our Bespoke Portfolio Service is designed for the discerning private client who requires an individual investment portfolio constructed and fine tuned to reflect their investment objectives, tax status, attitude to risk and other personal circumstances.

We operate a team approach in the way we work with the client. Portfolios are managed by an experienced investment management team and their support staff. Each team is led by an investment management director.

Service delivery is a key part of the Bespoke Portfolio Service. Our investment managers are actively involved with the client as well as the day-to-day management of their portfolio. This means there is a high degree of personal contact between the client, their investment management team and their Professional Adviser. We work closely with Professional Advisers and aim to meet with each client, and preferably their adviser, at least once a year or more frequently as required.

HOW WE MANAGE INVESTMENT PORTFOLIOS

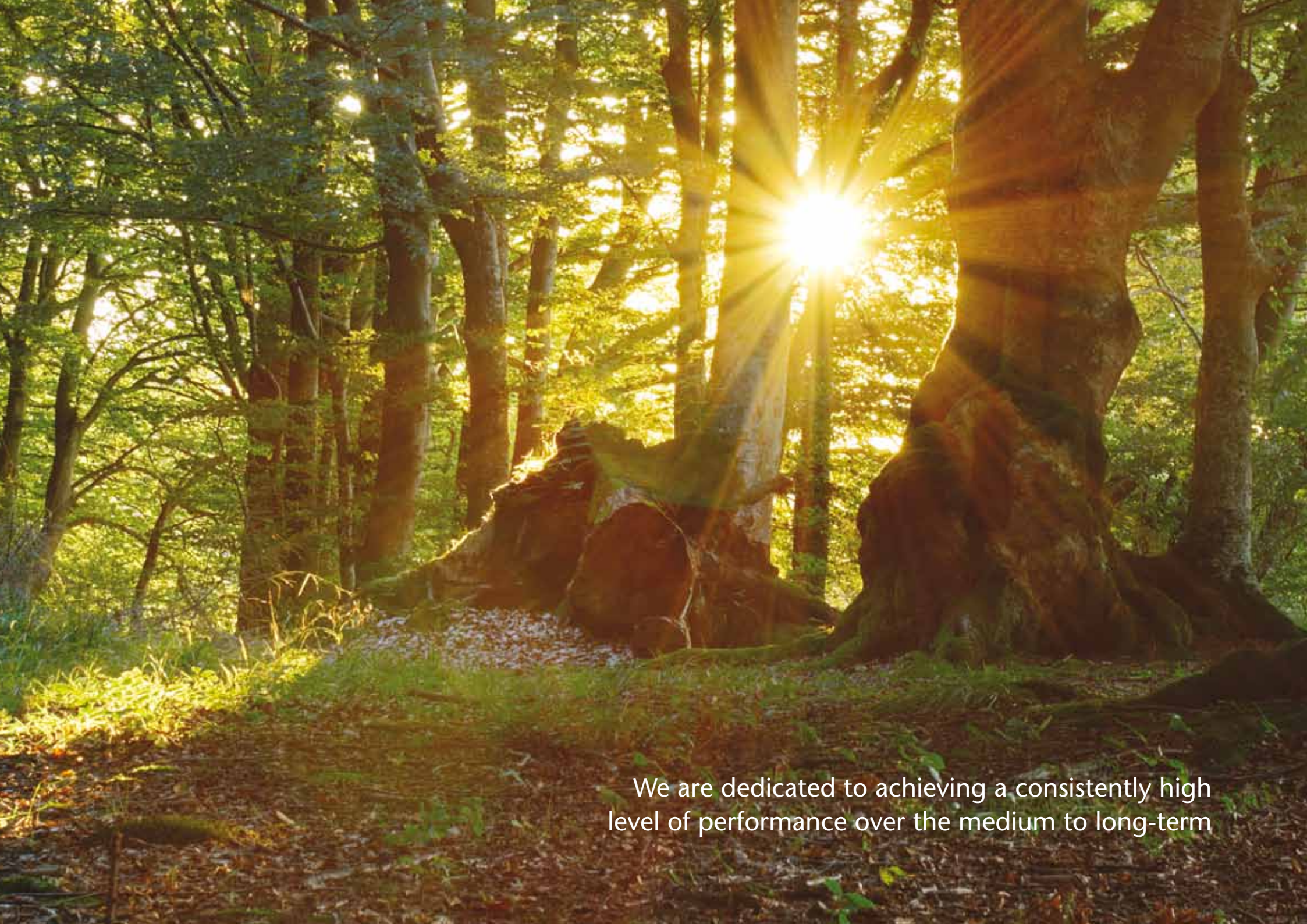
We are dedicated to achieving a consistently high level of performance over the medium to long-term. Our ability to do this has resulted in the significant growth in the funds managed on behalf of our clients.

Our investment managers are responsible for carrying out both primary and secondary research for specific asset classes and investment vehicles. This is one of our key differentiators.

Our sophisticated asset allocation guidance model gives our investment managers the flexibility to use their expertise to create truly bespoke portfolios. Each portfolio reflects the client's attitude to risk.

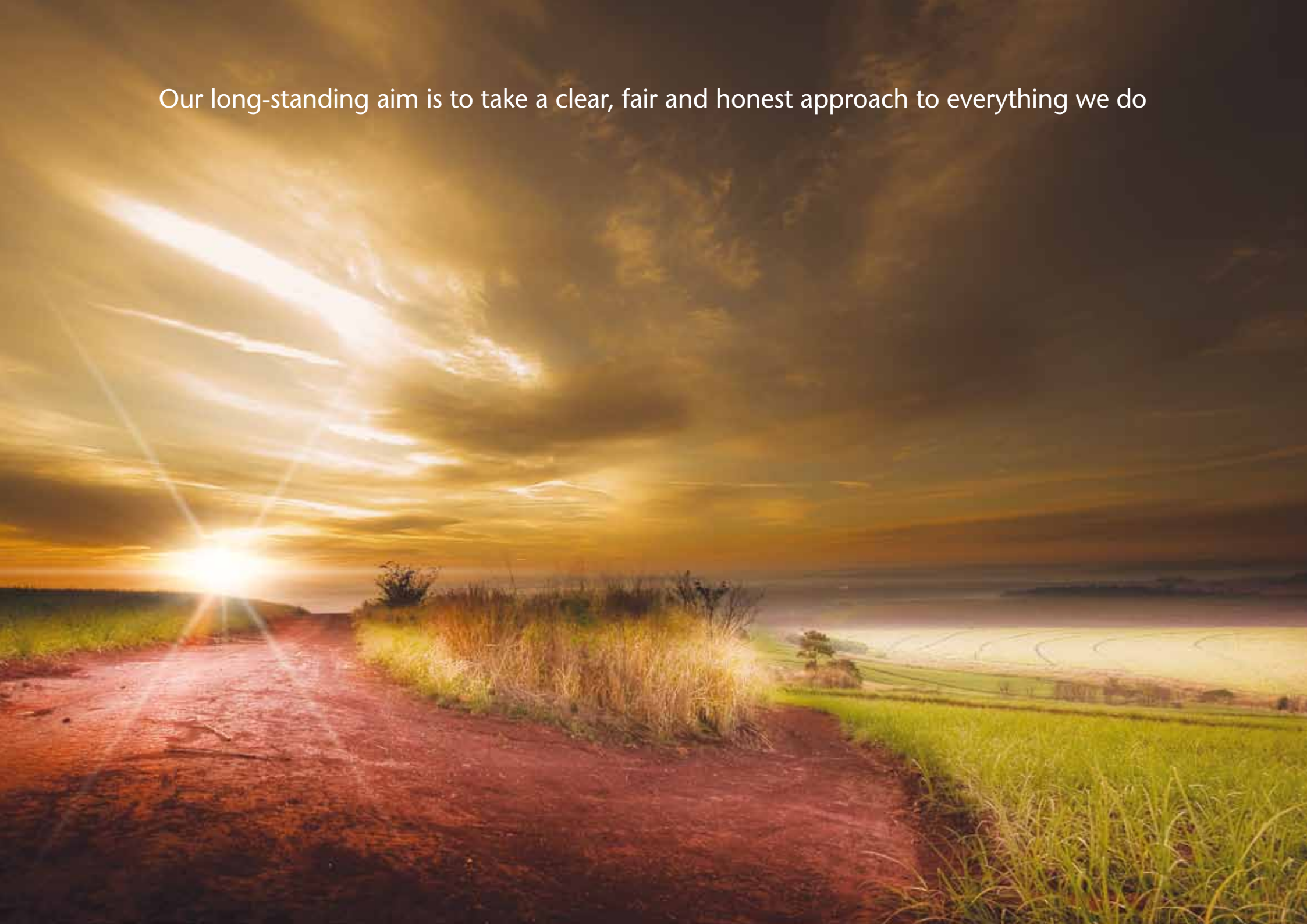
In the construction of a portfolio we consider, amongst other things, investments in single companies, investment and unit trusts, UCITS, all fixed interest securities, ETFs, structured products and alternative assets both in the UK and overseas. This means we consider investments in all asset classes via all investment media rather than using a generic model which only considers cash, equities and fixed interest.

Once constructed, risk management tools are used to monitor and control exposure to any single stock, fund or investment house to ensure a portfolio remains aligned to the agreed investment mandate. Should the client's objectives change, the portfolio will be altered to ensure it is representative of the new agreed investment mandate.



We are dedicated to achieving a consistently high level of performance over the medium to long-term

Our long-standing aim is to take a clear, fair and honest approach to everything we do



TAX ADVANTAGES OF THIS SERVICE

FEES

As well as offering a stand-alone service, a portfolio can be held within a range of tax structures that will provide tax advantages that a Professional Adviser will be able to provide guidance on.

These include:

- Self Invested Personal Pensions (SIPPs)
- Small Self Administered [Pension] Schemes (SSASs)
- Individual Trusts and Charity Accounts
- Onshore and Offshore Bond Accounts
- Individual Savings Accounts (ISAs)

Where applicable, the Capital Gains Tax (CGT) position is managed to ensure full utilisation of annual CGT allowances. An annual CGT report is produced as part of our service.

Implicit in our ethos is our long-standing aim to take a clear, fair and honest approach to everything we do. This is reflected in our fees and charges.

Fees charged are based on a percentage of the value of each portfolio. This aligns the interests of the client and Brooks Macdonald over both the short and longer term.

Our fees are detailed more fully in a separate "Fees and Charges" sheet which is available on request.

ADMINISTRATIVE SERVICES

Brooks Macdonald Asset Management provides in-house dealing, custody and settlement services for both UK and overseas clients. Client's assets are held in "nominee" which enables purchases and sales to be made without recourse. This nominee takes the form of a number of companies which exist solely to hold investments. These companies are non-trading, dormant entities so they cannot be declared insolvent as a consequence of their trading activity. This offers the client maximum security.

Once constructed, the client can regularly review the performance of their portfolio securely, online via our website. Additionally, at the end of each calendar quarter, the client receives an itemised hard copy valuation of their investment portfolio, a performance report, transaction schedule and an income and capital statement. These documents allow the client and their Professional Adviser to monitor the investment decisions we are making in relation to the performance of their portfolio in-line with market conditions and the agreed investment mandate.

A private client and their Professional Adviser will also receive a comprehensive annual tax pack that includes the information needed to complete their income and capital gains tax return. For all other accounts, this is sent directly to trustees.



NEXT STEPS

Typically, a Professional Adviser will establish the investment objectives and risk profile of their client and will then make an introduction to the Brooks Macdonald investment management team whose expertise best matches the client's investment objectives. This will take the form of an initial meeting.

This meeting will be a chance for the client, their investment managers and their Professional Adviser to discuss how their investment objectives will translate into a tailored investment portfolio.

Formal paperwork will only be drawn up when all parties are comfortable that the investment proposal exactly matches the needs of the client.

For further information about our Bespoke Portfolio Service, please contact your Professional Adviser, or contact us by telephone, email or via our website:

T 020 7499 6424

E info-am@brooksmacdonald.com

I www.bm-am.com/bps

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